



Department of Justice

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**JUSTICE DEPARTMENT RECOMMENDS APPROVAL OF QWEST'S
APPLICATION TO PROVIDE LONG DISTANCE SERVICES
IN MINNESOTA**

WASHINGTON, D.C.-- The Department of Justice today recommended that the Federal Communications Commission (FCC) approve Qwest's application to provide long distance services in Minnesota. Qwest has already received approval to provide long distance services in 12 of the 14 states within its region, and the systems supporting its Minnesota application are the same as those reviewed and approved by the FCC in its prior orders.

"The available evidence suggests that generally, Qwest has succeeded in opening its local telecommunications markets in Minnesota," said R. Hewitt Pate, Acting Assistant Attorney General in charge of the Department's Antitrust Division. "Competitors, particularly those using entirely their own facilities, have made progress in penetrating the business and residential markets in the state, and the Department believes there are no longer any material obstacles to residential competition using unbundled network elements created by Qwest."

The Department's evaluation recognized the public interest concerns expressed by three of the four participating Minnesota Public Utilities Commission Commissioners, yet concluded that these concerns, regarding Qwest's past failures to file interconnection agreements as required by the Telecommunications Act, did not appear to implicate the Department's inquiry into whether local markets are fully and irreversibly open to competition.

The Department provided its competitive analysis in an evaluation of Qwest's application to provide long distance services in Minnesota under Section 271 of the Telecommunications Act of 1996.

Since the break-up of the integrated Bell system as part of the AT&T divestiture, the independent Bell Operating Companies, or BOCs, have been barred from providing long distance services in their respective regions, first as part of the divestiture decree, and now under the terms of the Telecommunications Act. Under Section 271 of the Act, a BOC, such as Qwest, may not provide in-region long distance services until it demonstrates to the FCC that it has met a variety of legal requirements designed to open the local telecommunications markets in a particular state to competition.

In considering whether to approve a BOC's application for long distance authority in a particular state, the FCC must consult with the Department of Justice and give "substantial weight" to its assessment of competitive conditions and whether the BOC should be allowed to provide in-region long distance services.

Qwest filed its application with the FCC on March 28, 2003. Under the terms of the Act, the FCC must approve or deny the application within 90 days. A copy of the Department's evaluation will be available at: <http://www.usdoj.gov/atr/public/comments/sec271/sec271.htm>.

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